REMARKS

Applicant acknowledges receipt of the office action dated July 14, 2006, in which the Examiner rejected claims 1-3 and 12 as obvious over the combination of Kendziora (WO 03/029607) with Harrall (US 20050011650); rejected claims 4-7 as obvious over the combination of Kendziora with Harrall and Schetky (US 6772836); and indicated that claims 8-11 would be allowable if re-written independent form.

Some of the claims have been amended to correct a typographical error. No substantive amendments have been made. Applicant respectfully traverses the rejections for the reasons set out below.

§ 103 Rejection of claims 1-3 and 12 as obvious over the combination of Kendziora with Harrall

In support of the rejection of claims 1-3 and 12 as obvious over the combination of Kendziora with Harrall, the Examiner cites part of Figure 11 from Kendziora and indicated how the elements of the present claim 1 can be mapped onto the device illustrated in the Figure. In doing so, the Examiner characterizes a length of casing that has been expanded into the bottom of a preceding length of casing (*i.e.* a "liner) as a "sleeve."

While this characterization alone is colorable, the use of this disclosure to support a rejection of a claim the requires removal of the "sleeve" is not. As is well known, casing is emplaced in a well in order to form a seal/barrier between the surrounding formation and the contents of the well. Kendziora contains no teaching or suggestion to remove a section of *casing*. Thus, it cannot be said that "It would have been obvious. It to include a method of removing a 'sleeve' or other tubular from the wellbore in the system of Kendziora," as asserted by the Examiner.

Furthermore, it would not even be possible to combine the teachings of Harrell with those of Kendziora. Harrell teaches lifting a severed piece of a sleeve out of a well, but only after the expanded portion of the severed piece has been detached from the casing wall (by milling tool 597), leaving only an *unexpanded* portion of the sleeve to be removed. Harrell does <u>not</u> teach

¹ See paragraphs [0133]-[0134] of Harrell, which read: "FIG. 13B shows the first step in removing the first straddle 595 from its sealing relationship with the casing 517 around the zone of interest 545. When the cutting elements 598 of the milling tool 597 contact the upper end of the first straddle 595, the milling tool 597 cuts through the upper expanded portion 595A of the first straddle 595, at least until the upper expanded portion 595A is no longer in a sealing and gripping relationship with the casing 517. In FIG. 13B, the milling tool 597 has milled through the upper

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either removing a sleeve section that has been expanded (as presently explicitly claimed) or removing a sleeve through a tubular that has a smaller inside diameter than the outside diameter of the sleeve (as presently implicitly claimed²).

Because neither Kendziora nor Harrell nor their combination disclose all of the claimed elements, Applicant respectfully requests that the Examiner reconsider and withdraw the rejection.

§ 103 Rejection of claims 4-7 as obvious over the combination of Kendziora with Harrall and Schetky

Because the combination of Kendziora with Harrell falls short for the reasons set out above, the addition of Shetky does not result in a combination that supports the rejection of dependent claims 4-7. Thus Applicant respectfully requests that this rejection also be reconsidered and withdrawn.

Allowable claims 8-11

Applicant appreciates the allowance of claims 8-11 but defers their amendment pending consideration of the arguments set out above.

Conclusion

In view of the foregoing, Applicants believe that all of the claims are in condition for allowance and favorable consideration by the Examiner is requested. Should the Examiner find any impediment to the prompt allowance of the claims that can be corrected by telephone interview, the Examiner is requested to initiate such an interview with the undersigned.

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expanded portion 595A of the straddle 595 [0134] The milling tool 597 may be used to remove any length of the first straddle 595, but at least removes the length of the upper expanded portion 595A grippingly engaging the surrounding casing 517." (emphasis added).

² It is implicit in claim 1 that the sleeve is removed through a tubular that has a smaller inside diameter than the outside diameter of the sleeve because the claim recites that the sleeve is expanded "to an inner diameter that is substantially equal to the second inner diameter minus double the wall thickness of the sleeve." Because the second inner diameter is greater than the first inner diameter, the OD of the sleeve will also be greater than the first inner diameter.